

# **EXHIBIT A**

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

**IN THE UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

Cynthia Russo, Lisa Bullard, )  
Ricardo Gonzales, )  
International Brotherhood )  
of Electrical Workers Local 38 )  
Health and Welfare Fund, )  
295-295c Welfare Fund, and )  
Steamfitters Fund Local 439, )  
On Behalf of Themselves and All )  
Others Similarly Situated, )  
Plaintiffs, )  
v. )  
Walgreen Co., )  
Defendant )

**EXPERT REPORT OF  
JOHN W. HANIFIN**

**March 17, 2023**

Signed:   
John ("Bill") Hanifin

## CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER

**I. BACKGROUND AND QUALIFICATIONS**

I received my Bachelor of Science in Finance from the University of Virginia in 1978, and since 1998, I have been active in the customer loyalty industry and have gained a comprehensive understanding of the considerations and requirements needed to design, manage, and measure customer Loyalty Programs. I am a Certified Loyalty Marketing Professional (“CLMP™”) and have worked in virtually every customer-facing brand and retail sector, as well as in numerous geographic markets. I am familiar with the spectrum of Loyalty Program structural and operating models used by brands and retailers including membership, fee-based, and subscription programs.

During my career, I served as a strategist and business development resource for Visa, Frequency Marketing, Inc., and Alliance Data Systems before founding Hanifin Loyalty LLC in 2006. During my time with Visa, Frequency Marketing, Inc. and Alliance Data Systems, I worked with American Express, Chase Bank, Red Roof Inn, Grupo Posadas, and many other brands. Most relevant to this opinion, I worked with Best Buy in 2003 to launch its Rewards Zone Loyalty Program, a fee-based membership model.

During the period of 2006 – 2016, I worked with many types of businesses to create, launch, manage, and measure the effectiveness of Customer Marketing. A partial client list includes Circle K, Denny’s, Lucky Brands, Master Card, Maverik, McGraw Hill, Panera Bread, Redbox, 7-Eleven, Scotiabank, The Metropolitan Museum of Art, and Visa. My firm achieved industry recognition through inclusion in the Q1 2016 Forrester Wave™: Customer Loyalty Solutions for Midsize Organizations report.

In 2016, I became one of the owners of Wise Marketer Group (“WMG”) and serve as its Chief Executive Officer. WMG has two business units, TheWiseMarketer.com (“TWM”), a twenty-year-old online publication that is known as the “global voice of customer loyalty” and The Loyalty Academy™ (“TLA”), which offers educational services for marketing professionals in the industry.

TWM is a recognized global source of news, education, and research serving the Customer Engagement, Loyalty, CRM, and Digital Marketing industry worldwide. TLA created the first professional training certification in the industry, the CLMP™. TLA has certified 580 marketing professionals in 41 countries through online training, corporate and public workshops.

I am a frequent keynote presenter and session facilitator at industry events. Over the past 10 years, I have appeared at Loyalty Expo, Loyalty Summit UK, C2 Montreal, Winsight Convenience Retail University, National Association Convenience Stores, and JTI (Japan Tobacco International). I also regularly lead public workshops for the Loyalty Academy certification program, as well as private training events for clients. WMG hosts and participates in these events on a global basis.

In the past ten years, I have published articles in the following online sites:

- Loyalty Truth blog - I operated this blog as part of Hanifin Loyalty LLC, but shifted my content marketing efforts to WMG in 2018. The latest post on Loyalty Truth is 2020.
- The Wise Marketer – My byline is associated with approximately 47 posts dated between 2018 – 2023. I have contributed to or created other posts as “Wise Marketer Staff” during this time. A list of the posts under my byline is included in the reference section.
- The Forbes Agency Council – Two posts between 2018 – 2023, included in the reference section.

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

In the past four years I have not testified as an expert at trial or by deposition. Further information regarding my qualifications, and a complete list of all publications that I have authored in the past ten years can be found attached to my report as **Exhibit A**.

**II. COMPENSATION**

Walgreen Co. ("Walgreens") is compensating Hanifin Loyalty LLC at the hourly rate of \$250. My compensation is not dependent on the outcome of this case.

**III. SCOPE OF OPINION**

I have been retained by Reed Smith LLP, Counsel for Walgreens to evaluate whether there are any significant obstacles to customer enrollment in Walgreens' Prescription Savings Club (PSC), including analyzing the value propositions that customers consider when evaluating whether to join (or enroll) in a brand Loyalty Program such as Walgreens' PSC. The materials I considered in forming my opinions are attached to this report as **Exhibit B**.

My analysis is ongoing, and I reserve the right to modify and/or supplement my opinions should other relevant information become available after the submission of this report.

**IV. SUMMARY OF OPINIONS**

It is my opinion that PSC qualifies as a customer Loyalty Program, because the program follows the marketing and operating structure of a customer Loyalty Program, as I define it based on my experience. The operating structure of a Loyalty Program includes the creation of obstacles to enrollment.

It also is my opinion that Walgreens designed PSC so that customers faced obstacles to enrollment that distinguished club members from other customers.

To evaluate the effect of obstacles to enroll in PSC, I analyzed the obstacles themselves and the benefits of participating in PSC, which I refer to as the Customer Value Proposition (Value Proposition). For Walgreens' PSC, those obstacles include making the effort to participate in the enrollment process and in paying a membership fee. In my experience, the enrollment process by itself constitutes a meaningful obstacle to customers joining a program. Many customers are not interested in going through an enrollment process to join a Loyalty Program for a number of reasons, including a lack of time, lack of interest, lack of convenience, privacy concerns, and other reasons that I describe below. Introducing a membership fee to a Loyalty Program heightens the obstacles to enrollment beyond the enrollment process itself. That is, even of those who are willing to engage in the enrollment process in order to join a Loyalty Program, in my experience, most customers resist paying even a small amount to join a Loyalty Program.

Based upon my experience and analysis, the obstacles to enroll in PSC are significant, meaning that a customer would have to consider them in comparison to the potential benefits of PSC before deciding to enroll, and many customers would likely decide not to join, distinguishing club members from other customers.

CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER

## V. OPINIONS

## A. Relevant Factual Background: Walgreens' PSC

Walgreens piloted PSC in 2006 and launched PSC nationally in August 2008.<sup>1</sup> The program continues to operate today at all Walgreens and Duane Reade stores located in the United States and Puerto Rico, excluding Walgreens stores in certain states. Until January 2020, persons receiving benefits from Medicare or Medicaid programs were ineligible to join the PSC.<sup>2</sup>

PSC is a membership-based program providing members with access to lower prices on prescription medications and other health-related products, among other benefits. Based on my analysis and the documents I reviewed, Walgreens designed the program to help price-sensitive customers save money on their prescription drugs.

In order to receive the benefits of PSC, customers must elect to join the program. Enrolling in the program requires the payment of an annual fee of \$20 for individuals joining the program and \$35 per year for families with up to five family members and agreeing to certain terms and conditions, including that the program can only be used when customers forgo using insurance to pay for a prescription and that Walgreens can change the drugs covered by the program at any time.<sup>3</sup>

Members of PSC are entitled to receive lower prices on three tiers of generic prescription medications and can purchase these medications in 30- or 90-day supplies.<sup>4</sup> The medications with “value” prices are identified on a list of select medications.<sup>5</sup> The list also identifies that thousands of other drugs that are not broken down into three tiers also have lower prices. Individuals can perform a search on Walgreens’ website to determine the PSC price for a particular medication. Customers on their own can determine the estimated amount of potential savings they personally will gain through PSC membership and make a comparison of these savings to the membership fee.<sup>6</sup> In addition, at various times, Walgreens offered a tool by which a customer could look up their medications to review the PSC price.<sup>7</sup>

## B. Loyalty Program Overview

The term “Loyalty Program” refers to the range of business models used by a seller of branded products to connect that brand with its customers in an attempt to encourage behavior change in customers.

---

<sup>1</sup> “Prescription Savings Club, FY09 Interim Marketing Strategy,” January 2009, Walg\_Forth\_00005266 (“PSC FY09 Interim Marketing Strategy”), at Walg\_Forth\_00005268.

<sup>2</sup> Walgreens’ Third Amended Objections and Responses to Plaintiffs’ Second Set of Requests for Admission, *Cynthia Russo, et al. v. Walgreen Co.*, Case No. 1:17-cv-2246, October 28, 2021, Response to Request for Admission No. 71.

<sup>3</sup> “Prescription Savings Club Talking Points and Frequently Asked Questions (FAQs),” Walg\_Forth\_00040901 (“PSC Talking Points and FAQs 2012”), at Walg\_Forth\_00040901-05; Walgreens, “Prescription Savings Club,” available at <https://www.walgreens.com/psc/prescription-savings-club> (last visited March 14, 2023); “Prescription Savings Club, Terms and Conditions,” (“Current Terms and Conditions”) available at <https://www.walgreens.com/topic/psc/prescription-savings-club/psc-terms-and-conditions.jsp?o=acs> (last visited March 16, 2023).

<sup>4</sup> PSC Talking Points and FAQs 2012”), at Walg\_Forth\_00040901-905; Current Terms and Conditions.

<sup>5</sup> “Value-Priced Medication List,” Walg\_Forth\_00012624- Walg\_Forth\_00012627.

<sup>6</sup> “Value-Priced Medication List,” Walg\_Forth\_00012624- Walg\_Forth\_00012627.

<sup>7</sup> See Walgreens, “PSC: Drug Pricing,” Walg\_Forth\_00045054; Current Terms and Conditions.

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

Loyalty Programs seek to change customer behavior in a positive way for both the brand and the customer. In my experience, the short-term goal is to achieve financial objectives like increased sales, visits, etc., while the long-term goal is to establish valuable, long-lasting, mutually beneficial relationships that result in customers continuing to support the brand, as opposed to its competitors.

Membership in all Loyalty Programs is, by definition, permission-based, meaning that a customer is only able to receive the benefits of the program after the retailer extends an invitation to customers to join the program and customers make a decision on whether to join.

The permission-based structure is fundamental to Loyalty Marketing and it solves a critical business problem for retailers and brands: to be able to identify individual customers, track their purchasing patterns, build profile information to serve them better, and deliver customized communications.

### **i. Types of Loyalty Program Models**

To analyze the design of Walgreens' PSC, it is important to examine relevant Loyalty Program models in operation over time and today. Distinct elements of behavioral psychology influence customer decisions to participate in each type of program. The relevant Loyalty Models for the purposes of my opinions are membership models and subscription models, which are described below in more detail.<sup>8</sup>

#### **a. Membership Models: Obtaining Access To A Retailer**

Membership models require that potential customers complete the enrollment process and pay a membership fee in order to have access to the retailer's stores and products. For example, as set forth below, customers cannot shop at Sam's or Costco, or watch any content from Netflix without paying a membership fee.

Examples of membership models include:

- Costco's Everyday Value "Gold Star" Membership: In exchange for a \$60 annual fee, the customer can shop online and at Costco store locations. Additional benefits are available if a Member chooses to upgrade their Membership to the Executive Member program. This requires a \$120 annual fee and offers additional benefits, including an annual 2% reward on qualified Costco purchases (up to \$1,000), access to discounted rates on Costco services like auto insurance, and benefits on select Costco travel products.<sup>9</sup>
- Sam's Club's Membership program: In exchange for a \$50 annual fee, the customer can shop online and in physical Sam's Club store locations. Additional benefits are available if a Member chooses to upgrade their Membership to the PLUS level. This requires a \$110 annual fee and offers additional benefits including cash rewards, free shipping on many items, pharmacy and optical savings.<sup>10</sup>

---

<sup>8</sup> There are additional types of loyalty models that I have not described here because they are not relevant to my evaluation of PSC. For example, a Coalition Model describes a program in which multiple brands collaborate to offer a combined value proposition to the customers.

<sup>9</sup> Costco, "Join Costco," available at <https://www.costco.com/join-costco.html> (last visited March 13, 2023).

<sup>10</sup> Sam's Club, "Join the Sam's Club family," available at <https://www.samsclub.com/join?pageName=aboutSams> (last visited March 13, 2023).

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

- Netflix: In exchange for a monthly membership fee ranging between \$6.99 - \$19.99, the customer is able to watch movies, television shows, and other content from electronic devices.<sup>11</sup>

**b. Subscription Loyalty Models: Obtaining Additional Benefits At A Retailer**

A subscription loyalty model packages multiple benefits for customers into a program and charges a membership fee to participate. Unlike a membership model – e.g., no one can shop at Sam’s or Costco without paying a membership fee – customers do not need to pay a fee to access these retailers; however, these retailers offer special benefits only for those who join the program. That is, the key differentiator between a membership model and a subscription loyalty model is that in a membership model a customer must enroll and pay a fee to gain access to a retailer at all, whereas in the subscription model, customers must enroll and pay a fee to receive the special benefits of the program, but otherwise has access to the retailer.

When customers can access a retailer’s products without needing to pay a membership fee to walk in the door of the retailer, the presence of a membership fee to access additional program benefits makes it more difficult to enroll customers in a subscription loyalty program. The membership fee is considered an “obstacle to enrollment,” as many customers may not be willing to pay the fee to join to obtain the additional program benefits.

If successful, the retailer’s subscription model creates a comprehensive value proposition based on a bundle of special pricing on products, sufficiently lower prices, and service offers that exceeds the value of the membership fee. Customers who join subscription Loyalty Programs mentally justify the membership fee, increase spending with the brand, and remain a valuable customer over a longer period of time.

In 2003, Best Buy was the first US retailer to introduce a program with a membership fee and it was successful for that company. At the time, few retailers followed Best Buy’s model. Subscription Loyalty Programs gained attention with the launch of Amazon Prime in 2005. That is, Amazon is available to everyone; however, only Amazon Prime members receive special benefits, such as free two-day shipping on eligible products. Amazon Prime is the most notable and market-leading subscription-based Loyalty Program, and it has inspired retailers of all types to attempt to implement similar categories of subscription Loyalty Program, although few, if any, retailers have had the same level of success.

**ii. Promotions and Discounts**

Price-oriented marketing campaigns are typically referred to as “Promotions” or “Discounts” and are not Loyalty Programs. The benefits are almost always available immediately at the time of purchase to the customer and often are applied automatically. The Promotions and Discounts may change frequently and have no “model” associated with them. They are purely a marketing tactic, rather than a marketing strategy, which is how I describe a Loyalty Program.

Many Promotions and Discounts present no obstacles to receive them because there is no enrollment or membership fee, the customer does not need to provide any identifying information, and the customer

---

<sup>11</sup> Netflix, “Choose your plan,” available at <https://www.netflix.com/signup> (last visited March 13, 2023).

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

is not required to agree to any terms or conditions. Promotions and Discounts do not require customers to make any commitment, much less a long-term commitment, to participate in order to receive benefits.

The \$4 prescription program offered by Walmart and the \$4 prescription offers from HEB, and HyVee are examples of Promotions and Discounts in pharmacy and grocery retail.<sup>12</sup> In these instances, no enrollment is required and no membership fees are charged, and therefore there is no obstacle to joining, as would be seen in a Loyalty Program. Instead, my understanding is that customers receive these lower prices automatically when purchasing eligible drugs.

### **C. Obstacles to Enrollment in Loyalty Programs**

The enrollment structure for a retailer's Subscription Loyalty Program defines the level of obstacles to enrollment, including based on information collected, fees charged, and technology used.

#### **i. Psychology of Decision to Join a Subscription Loyalty Program**

Today, customers are very familiar with Loyalty Program offers from retailers. At one time, Loyalty Programs were considered to be an innovative marketing tool by retailers. As programs proliferated across the general marketplace, many of which were free to join, many customers began to feel fatigue with the number of available programs and hesitate to join these programs unless they perceived sufficient value in the program to make it worth their while to meet the requirements of enrollment.

Research has confirmed the effect of the influencing factors of customer decisions to enroll, participate, and remain in a Loyalty Program. Each factor is a barrier to entry into the Loyalty Program and is based on a behavioral psychology concept. Customers' reasons for not joining a Loyalty Program can depend on various factors, the most notable being if they are not inclined to shop at a particular retailer. Other factors include that they do not see the value in the program, or have privacy concerns and do not want to share personal data with the retailer. People are also busy, and scarcity of time is an important factor that may cause customers to avoid joining a Loyalty Program, as opposed to taking the time to do a full evaluation of its pros and cons.

Other reasons for not joining a Loyalty Program are significant in the mind of the customer but are highly subjective and difficult to predict. For example, some may believe they already belong to too many programs, or are just not interested in carrying another membership card or downloading yet another mobile app to their smartphone to have access to the program. Others will say they just do not like Loyalty Programs. For example, some customers are suspicious that any benefits offered by Loyalty Programs are recaptured by the retailers in other ways (e.g., through generally setting higher prices).

Introducing a membership fee to a Loyalty Program heightens the obstacles to enrollment beyond the enrollment process itself. Many customers are familiar with free Loyalty Programs, such as Target's REDcard, Kroger's Fuel Rewards program, Sephora's Beauty Insider program, Nordstrom's Nordy Club program, and United Airlines' MileagePlus program. Today, customers are less likely to join a Loyalty

---

<sup>12</sup> Walmart, "Wal-Mart Cuts Generic Prescription Medicines to \$4," available at <https://corporate.walmart.com/newsroom/2006/09/20/wal-mart-cuts-generic-prescription-medicines-to-4> (last visited March 13, 2023); H-E-B, "Generics As Low As \$4," available at <https://www.heb.com/static-page/Generics> (last visited March 13, 2023); HyVee, "\$4 Generics," available at <https://www.hy-vee.com/my-pharmacy/services/four-dollar-generics> (last visited March 13, 2023).

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

Program when a membership fee must be paid, although they may assess a membership fee differently if it is required to access the retailer at all (e.g., Costco or Netflix). The membership fee raises the bar for customers to be able to feel they will receive fair value from the program.

Overall, the enrollment decision-making process is explained by the “Idiosyncratic Fit Heuristic,” a concept explored in research from experts in this field.<sup>13</sup> A key factor that affects customer response to marketing programs and promotional offers is the perceived relative advantage of “fit” with customer idiosyncratic conditions and preference.<sup>14</sup>

In the context of Loyalty Programs, Idiosyncratic Fit refers to the way customers often evaluate Loyalty Program attractiveness on the basis of the individual effort required to obtain the reward relative to the relevant reference effort (e.g., the effort of typical other customers).<sup>15</sup> This analysis necessarily includes an evaluation of a customer’s “effort advantage.”<sup>16</sup> The effort advantage means that a person self-identifies as having affinity for the brand or its products, likes the shopping experience, has convenient access to physical stores, and/or finds the retailer’s website easy to use. The customer knows they have shopped at the retailer in the past and will continue to shop with them in the future based on their experiences and preferences. For example, if I like Dick’s Sporting Goods because I know they carry my favorite brand of athletic shoes and I buy those shoes three times per year, then I can mentally calculate the benefits I would earn in a Loyalty Program. This predisposes me to want to participate in Dick’s Loyalty Program and by definition, I have an Idiosyncratic Fit with the program.

When customers believe they have an effort advantage over others (i.e., they have an Idiosyncratic Fit with the Loyalty Program, as described above), they will join and participate in Loyalty Programs at higher rates than customers who do not believe they have this advantage. Research shows that the higher the program requirements, the more likely it is that the customers who identified an Idiosyncratic Fit with the program would have a magnified perception of advantage of the program and therefore an higher, overall perceived value of the program.

## **ii. Barriers to Entry: Enrollment Process**

Even if no membership fee is required, customers may resist joining Loyalty Programs because of other obstacles to enrollment, listed below:

- **Value:** The value proposition must be strong enough that customers perceive value in enrolling. The attainability of redeeming rewards and the time needed to earn a benefit are other determining factors.
- **Time:** People are overwhelmed by so many Loyalty Program options that they often hesitate to join more programs. Subjective factors influence enrollment. A customer who receives an offer to join a program while in a busy line or late for work will often not complete any form of enrollment.

---

<sup>13</sup> Kivetz, R., & Simonson, I., “The Idiosyncratic Fit Heuristic: Effort Advantage as a Determinant of Consumer Response to Loyalty Programs,” *Journal of Marketing Research*, vol. 40, no. 4, Nov. 2003, pp. 454–67, JSTOR, available at <http://www.jstor.org/stable/30038878> (“The Idiosyncratic Fit Heuristic”).

<sup>14</sup> The Idiosyncratic Fit Heuristic, at 455.

<sup>15</sup> The Idiosyncratic Fit Heuristic, at 455-56.

<sup>16</sup> The Idiosyncratic Fit Heuristic, at 456-67.

## CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER

- **Convenience:** Customers often do not have time to fill out forms and read lengthy disclosures. The effort it takes to join the program is important. Customers may also resist carrying loyalty cards or downloading mobile apps as a requirement for membership.
- **Data Required:** Customers often resist having to provide personal information. The level of personal data required to enroll in the program is a key factor that affects willingness to enroll.
- **Transparency:** The transparency of the program, including the terms and conditions, can also affect how customers evaluate its value. A program that is transparent in its rewards, redemption options, and rules (including requirements to participate and terms and conditions) is more likely to be perceived as valuable.
- **Exclusivity & Status:** The exclusivity of the program can influence how customers view its value. If the program is limited to a specific group of customers or provides exclusive benefits, it may be perceived as more valuable.<sup>17</sup>

### iii. Membership Fees

Another obstacle to joining is an enrollment or membership fee. In my opinion, based on my decades of experience in the industry, that customer's decisions to enroll, participate, and remain in a Loyalty Program are influenced by multiple factors, and most customers resist paying even a small amount to join a Loyalty Program.

Americans belong to an average of 14.8 Loyalty Programs, according to recent research.<sup>18</sup> In my experience, only one or two of those programs require a membership fee. One such fee-based program for many people is Amazon Prime. Another is Walmart Plus, a subscription Loyalty Program launched to help Walmart compete with Amazon Prime.<sup>19</sup> Other than these two programs, I am aware of no other examples of Subscription Programs offered by retailers that have this level of visibility to customers. This is a reason why many customers resist paying even a small amount to join a subscription Loyalty Program.

In my experience, including a membership fee as a program feature, which is a significant obstacle to enrollment, means fewer customers elect to join the Loyalty Program, further distinguishing them from other customers at the retailer.<sup>20</sup>

---

<sup>17</sup> Loyalty Science Lab, "Do Loyalty Programs Work?", May 21, 2020, available at <https://medium.com/swlh/do-loyalty-programs-work-32ff4d307a9f> (last visited March 14, 2023) (summarizing Malika Chaudhuri, Clay M. Voorhees, and Jonathan M. Beck (2019), "The Effects of Loyalty Program Introduction and Design on Short- and Long-Term Sales and Gross Profits," *Journal of the Academy of Marketing Science*, Vol. 47, p.640–658 and Nick J.F. Bombaij and Marnik G. Dekimpe (2020), "When Do Loyalty Programs Work? The Moderating Role of Design, Retailer-Strategy, and Country Characteristics," *International Journal of Research in Marketing*, 37 (1), 175–195).

<sup>18</sup> Bond Loyalty, "2019 Loyalty Report," 2019, at 4.

<sup>19</sup> Walmart Plus is a different program than the \$4 Prescription Drug Program Walmart offers. Today, customers who enroll in Walmart Plus do not receive benefits on their prescription drug purchases. Walmart, "Meet Walmart+," available at <https://www.walmart.com/plus>.

<sup>20</sup> Further support for my experience is found in relevant research on this issue. See Easton, Bing, and Smothers, "Reward me, charity, or both? The impact of fees and benefits in loyalty programs," *Journal of Retailing and Consumer Services*, April 2015, at 79.

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER****D. Walgreens' PSC: A Subscription-Based Loyalty Program**

Based upon my experience and review of the materials relating to Walgreens' PSC, I conclude that the enrollment process and membership fee render PSC a subscription-based Loyalty Program. My conclusion is further supported by the testimony of Walgreens' current and former employees. For example, former employee Jay Bernstein testified that the customers who join PSC do it knowing that they must pay a membership fee and agreeing to the terms and conditions.<sup>21</sup>

As an initial step, I analyzed the benefits of joining the program in order to determine how customers would be able to evaluate whether to engage in the enrollment process and pay the membership fee. Overall, the program offers incentives for customers to shop not only in the Walgreens pharmacy, but also in other areas of the store to take full advantage of the program benefits. Importantly, however, the benefits of PSC are largely dependent on the circumstances of the individual customer. For example, despite the obstacles to enroll, PSC may be more attractive to a customer who purchases several prescriptions that are included in PSC every month than a customer who fills a few prescriptions every year. For a customer to determine the attractiveness of PSC for their purchases, they would either need to (1) compare the drugs in PSC to those they expect to fill in the upcoming year at Walgreens; or (2) speak with a Walgreens employee about their needs in order to estimate potential annual savings.

Based upon my analysis, the additional effort customers expend in order to determine the value and benefit of PSC for their particular circumstances serves to heighten the obstacles to enroll. Accordingly, the context of my analysis for the obstacles described below considers the obstacles the customer must analyze in order to determine the potential value of the PSC in light of their particular circumstances, even before going through the enrollment process and paying membership fee.

### **1. PSC's Enrollment Process Is A Significant Obstacle to Joining**

Walgreens' PSC requires customers to complete an enrollment process. The enrollment process by itself (without even considering the membership fee) constitutes an obstacle to customers joining (enrolling in) the program. In order to join PSC, the customer must complete a series of tasks, which, taken together, are obstacles to completing the enrollment process.

First, the customer must provide personal information.<sup>22</sup> Customers could provide this information initially online or in a Walgreens pharmacy. In my experience, requiring the customer to provide their personal data is an obstacle to enrollment because customers generally resist providing personal information. Specifically, in the enrollment process, the customer is asked to provide both their mailing address and email address, both of which are considered personal, and many customers are hesitant to provide it for a Loyalty Program, like PSC.<sup>23</sup> In addition, this step presents obstacles with respect to completing the request for information. If a customer does not have the time or interest to provide all information requested, they will not enroll in PSC.

---

<sup>21</sup> Deposition of Jay Bernstein, *Cynthia Russo, et al. v. Walgreen Co.*, Case No. 1:17-cv-02246, September 14, 2019, pp. 1-158, ("Bernstein Deposition"), at 24:6-12;

<sup>22</sup> PSC Talking Points and FAQs 2012, at *Walg\_Forth\_00040902*; "Prescription Savings Club Procedures," *WAGDCO\_Forth\_00006156* ("2016 PSC Enrollment Process"), at *WAGDCO\_Forth\_00006156-WAGDCO\_Forth\_00006157*.

<sup>23</sup> PSC Talking Points and FAQs 2012, at *Walg\_Forth\_00040902*; 2016 PSC Enrollment Process, at *WAGDCO\_Forth\_00006157* (noting that the permanent card will be mailed in 10-14 days).

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

Second, until recently, the customer was required to go to a Walgreens pharmacy, in person, to execute an acknowledgement that they have reviewed the program's terms and conditions and that they agree to the terms and conditions.<sup>24</sup> This step could not be conducted online, but needed to be done in person at a Walgreens store. This step presented two obstacles: time and convenience. Customers may not believe they have time and will not want to spend the time to review terms and conditions in order to enroll in the program. In addition, it is inconvenient for a customer to be required to come to the store, rather than enrolling online.

I understand that Walgreens slightly modified this process and now allows the customer to enroll in PSC online and does not require the customer to visit a Walgreens pharmacy in person.<sup>25</sup> This change may be more convenient for some customers, particularly those who are proficient with technology. Other customers who are less familiar with technology may not be able to utilize the online enrollment feature, and, therefore, the change does not affect the obstacles I have previously described. In addition, online enrollment can heighten customers' concerns about providing personal data, thereby emphasizing that it acts as an obstacle to enrollment. Finally, there is a trust factor that many customers like to have to be certain that they are receiving good and accurate advice about the cost of subscriptions they will need. Just like some people will not trust an ATM to process a deposit, some don't trust the information from a website or chatbot. They need the additional step of going in the store to talk to a person (the pharmacist) and be absolutely sure of benefits in order to make a decision to join the program.

Overall, the first two steps of enrollment present significant obstacles in light of the data sought, the time required and inconvenience associated with completing the process.

## **2. PSC's Membership Fee Represents A Significant Obstacle To Joining**

Based on my experience, the membership fee for Walgreens Prescription Savings Club represents a significant obstacle to enrollment and continued membership to the Loyalty Program. The enrollment fee to join or to renew membership in PSC is \$20 for an individual and \$35 for a family.<sup>26</sup> Generally, as described above, the membership fee raises the bar of the Idiosyncratic Fit for customers. That is, the customer's evaluation of PSC's attractiveness is dependent upon the potential benefits in comparison to the fee required to enroll and maintain membership. As noted above, in my experience, many customers resist paying a membership fee at any amount, and will decline to join Loyalty Programs that charge a membership fee.

Testimony from Walgreens' current and former employees confirms that the membership fee was intended to be, and in fact was, an obstacle to enrollment. Bernstein confirmed that the membership fee "was a significant barrier to entry so that this was club pricing, and we wanted to make sure that everybody knew that that was club pricing, only for members of the [PSC]."<sup>27</sup> Testifying as Walgreens'

---

<sup>24</sup> PSC Talking Points and FAQs 2012, at Walg\_Forth\_00040903; 2016 PSC Enrollment Process, at WAGDCO\_Forth\_00006157 (requiring customer to answer two questions and execute on the PIN pad).

<sup>25</sup> Walgreens, "Prescription Savings Club," available at <https://www.walgreens.com/psc/prescription-savings-club> (last visited March 13, 2023).

<sup>26</sup> PSC Talking Points and FAQs 2012, at Walg\_Forth\_00040901; 2016 PSC Enrollment Process, at WAGDCO\_Forth\_00006156; Walgreens' 30(b)(6) Deposition of Michael Amiet, Cynthia Russo, et al. v. Walgreen Co., Case No. 1:17-cv-02246, November 20, 2019, pp. 1-288 ("Amiet Deposition"), at 79:25-80:1.

<sup>27</sup> Bernstein Deposition, at 35:7-17.

**CONFIDENTIAL – SUBJECT TO PROTECTIVE ORDER**

corporate representative, Michael Amiet confirmed that paying the membership fee allowed customers “to get a different set of prices on their prescriptions than the retail price.”<sup>28</sup> In addition, internal marketing materials identified the fee as one of the barriers to joining PSC.<sup>29</sup> Based upon my experience and analysis of PSC, the membership fee was significant and, therefore, it was reasonable for Walgreens to believe that there were meaningful distinctions between PSC customers and customers who chose not to overcome the obstacles to enroll in PSC.

Further support for my opinion can be found in the enrollment data from a few months between approximately January 2012 and March 2012, when Walgreens lowered the membership fee from \$20 for an individual to \$5.<sup>30</sup> Walgreens lowered the fee as a promotion in order to drive additional enrollment to the program.<sup>31</sup> During those few months, the enrollment in PSC noticeably increased from approximately 100,000 to over 700,000.<sup>32</sup> Moreover, when the membership fee returned to \$20 for individuals, the number of monthly enrollments and renewals decreased significantly.<sup>33</sup> Because no other significant changes were made to the program during those months, I believe that the increased enrollment can be attributed to the reduction in the cost of the fee. This supports my conclusion that the \$20 membership fee was a significant obstacle to entry because it served to dissuade customers from joining PSC.

In addition, in my evaluation of the membership fee, I did not identify any evidence indicating that Walgreens’ personnel were not requiring that customers pay the membership fee. Instead, it appears that, in a vast majority of cases, the PSC price was only given to customers who had engaged in the enrollment process and paid the membership fee.<sup>34</sup>

#### **VI. Conclusion**

Based upon my experience and analysis of the relevant facts, it is my opinion that PSC is a subscription-based Loyalty Program. Both the enrollment process and fee are significant obstacles to enroll, which likely cause many customers to choose to not join PSC, forgoing any potential benefits of the program, and results in meaningful distinctions between PSC members and other customers.

---

<sup>28</sup> Amiet Deposition, at 72:14-20.

<sup>29</sup> PSC FY09 Interim Marketing Strategy, at Walg\_Forth\_00005269.

<sup>30</sup> Amiet Deposition, at 80:5-20.

<sup>31</sup> Amiet Deposition, at 80:5-20.

<sup>32</sup> Walgreens Affordable Wellness Corporate Innovation Team, “Prescription Savings Club ‘White Paper’,” Walg\_Forth\_00062179, at Walg\_Forth\_00062192.

<sup>33</sup> Walgreens, “PSC + Cash – Highlights – FY12,” Walg\_Forth\_00058481, at Walg\_Forth\_00058484.

<sup>34</sup> Expert Report of Jed Smith, dated March 17, 2023, at ¶ 34 (Explaining that 99.8% of PSC card holders with a PSC transaction were recorded as having paid the PSC membership fee).

# **Exhibit A**

Expert Report of John W. Hanifin  
March 17, 2023

## Biography

### **Bill Hanifin, CEO Wise Marketer Group (WMG)**

Bill Hanifin is CEO Wise Marketer Group (WMG) and a Certified Loyalty Marketing Professional (CLMP™). Bill is responsible for the overall management and growth of Wise Marketer Group and serves as the Managing Editor of TheWiseMarketer.com (TWM). TWM is a twenty-year-old brand that was acquired by WMG in 2006.

TWM is known as the Global Voice of Customer Loyalty and is the acknowledged global source of news, education and research serving the Customer Engagement, Loyalty, CRM, and Digital Marketing industry worldwide. TWM has a highly engaged Opt-in newsletter subscribership in excess of 14,000 representing over 120 countries.

WMG operates The Loyalty Academy™ (TLA), which offers the first educational program for marketing professionals in the industry, the Certified Loyalty Marketing Professional™ (CLMP). Loyalty Academy™ offers public workshops for loyalty marketing training and provides corporate training to global brands.

TLA currently has certified 540 marketing professionals in 41 countries. TLA maintains an annual calendar of certification workshops, with events confirmed in 2023 in Dubai, Amsterdam, Morocco, Singapore, Melbourne AUS. Additional events are pending for Cape Town, India, UK and US.

Over a twenty plus year career as a strategist and business development expert in customer loyalty, Bill has created, implemented, managed, and measured Customer Marketing strategies for well-recognized brands. Most of this work was delivered through his strategic advisory firm Hanifin Loyalty, which he operated between 2006 – 2022. Bill has worked with American Express, Circle K, Denny's, Lucky Brands, Master Card, Maverik, McGraw Hill, Panera Bread, Redbox, 7-Eleven, Scotiabank, Shell, Visa, and many more.

Bill has a comprehensive understanding of the complexities of Customer Loyalty in virtually every customer facing brand and retail sector as well as in numerous geographic markets. Bill worked with brands across Latin America for several years, launching cobrand payment card rewards programs through Visa and MasterCard, hotel and retail loyalty programs and multiple coalition programs that are still operating today.

Bill is passionate about understanding the driving forces of customer engagement and consumer purchase decision making. His financial background has enabled a unique set of tools and intellectual property in the financial modeling and management of customer loyalty programs. He has pioneered the creation of a methodology to approach customer loyalty planning through a holistic corporate approach that invokes the cooperation of cross-functional leadership and C-Suite support.

Bill is an accomplished speaker and trainer and has participated in numerous industry events around the world as a keynote speaker and workshop facilitator. He is an acknowledged thought leader and his work has been published in Forbes and other recognized business publications. Bill is a popular trainer

and has led dozens of public and privately organized workshops in the U.S., Canada, Latin America, EU, and Asia Pacific regions.

Bill is based in South Florida and is an outdoor enthusiast, with a life-long love of the water and endurance sports. He is a multiple Ironman finisher and has discovered some of his best ideas during a long run, bike, or open water swim.



Contact Information:

Wise Marketer Group LLC  
265 South Federal Highway, Suite 300  
Deerfield Beach, FL 33441 USA

Email: [BillH@TheWiseMarketer.com](mailto:BillH@TheWiseMarketer.com)  
Phone: +1-954-531-9277

List of Publications Authored in Past 10 Years

1. *Brand Power and Influencer Marketing*, Bill Hanifin, February 10, 2023.
2. *Getting to Know White Label Loyalty*, Bill Hanifin, February 7, 2023
3. *SKUX is pioneering the future of adjudicated payments*, Bill Hanifin, January 27, 2023
4. *Who will be the next Patagonia? It just might be Sealand*, Bill Hanifin, January 25, 2023
5. *The Origins and Promise of Gaming Loyalty*, Bill Hanifin, January 24, 2023
6. *Best Buy Opts for Tender Specific Loyalty*, Bill Hanifin, January 17, 2023
7. *New Year's Resolutions for Loyalty Marketers*, Bill Hanifin, January 2, 2023
8. *Holidays are made of celebration, community, and gratitude - Enjoy yours!*, Bill Hanifin, December 24, 2022
9. *Creating Impactful, Measurable, and Profitable Customer Experiences is the key to success in Customer Loyalty*, Bill Hanifin, December 6, 2022
10. *Stream Loyalty Reshapes Customer Engagement In B2B*, Bill Hanifin, November 23, 2022
11. *Mastercard looks into the future of Customer Loyalty*, Bill Hanifin, November 22, 2022
12. *Emotion May Be the Missing Link for Customer Loyalty*, Bill Hanifin, November 1, 2022
13. *CVS Celebrates ExtraCare Members With Digital Offers*, Bill Hanifin, July 21, 2022
14. *POS Driven Loyalty Enrollment Shortcuts Betray QSR Retailers*, Bill Hanifin, May 22, 2022
15. *Celebrating International Women's Day. Women in Loyalty™ contributes to Breaking the Bias*, Bill Hanifin, March 8, 2022
16. *Entertainment Focused Loyalty Program Scene and Scotiabank Announce Scene+*, Bill Hanifin, February 15, 2022
17. *Looking Back at 2021 From a Loyalty Marketer's Perspective*, Bill Hanifin, December 31, 2021
18. *Why We're Thankful for Loyalty Marketing*, Bill Hanifin, November 25, 2021
19. *How Partnerships Can Help Your Brand Drive Customer Loyalty In the Digital Era*, Bill Hanifin, November 23, 2021
20. *Amazon Prime Is Not a Loyalty Program*, Bill Hanifin, September 8, 2021
21. *How to Destroy a Brand in Three Easy Steps*, Bill Hanifin, May 12, 2021
22. *7 Examples of the Good. Bad. and Ugly of Customer Loyalty in 2021*, Bill Hanifin, February 2, 2021
23. *Wise Marketer New Year Message - Should Businesses Return to Normal After the Pandemic?*, Bill Hanifin, December 17, 2020
24. *Bond and Uber Partner to Solve the Last Mile of Customer Loyalty*, Bill Hanifin, December 17, 2021
25. *B2B Loyalty Marketing: A Fresh Perspective from AUS/NZ*, Bill Hanifin, November 18, 2020
26. *What's the Impact of Data Privacy Regulation on Loyalty Marketing?*, Bill Hanifin, September 11, 2020
27. *How Do Private Equity Investors Really Impact the Retail Industry*, Bill Hanifin, September 1, 2020
28. *1:1 Contactless Commerce & Loyalty Technology for Retailers*, Bill Hanifin, August 14, 2020
29. *Finding Success With Healthcare Loyalty*, Bill Hanifin, August 7, 2020.

30. *How Does Major League Baseball Factor Into the Future of Retail?*, Bill Hanifin, July 29, 2020
31. *An Interview With Bond Brand Loyalty and rDialogue Discussing Their Recent Merger*, Bill Hanifin, February 26, 2020.
32. *Happiness is Key to Employee and Custom. Loyalty*, Bill Hanifin, February 1, 2020.
33. *Don't Be Afraid to Make Change to Your Loyalty Strategy in 2020*, Bill Hanifin, January 1, 2020
34. *What Brands Need to Know About Buying Enterprise Software*, Bill Hanifin, December 27, 2019
35. *The Pursuit of Personalization: An Executive Interview with Bond Brand Loyalty's Scott Robinson*, Bill Hanifin, December 20, 2019
36. *December Editorial Focus: Loyalty Marketing and Customer Engagement Technology*, Bill Hanifin, December 13, 2019
37. *Letter from the Editor: November Editorial Focus, News, and Notes*, Bill Hanifin, November 13, 2019
38. *Are Loyalty Points Really Dead?*, Bill Hanifin, October 31, 2019
39. *Introducing a New Column: Real. Life. Loyalty.*, Bill Hanifin, October 12, 2019
40. *How Do You Build a Great Brand? Lessons from DTC Retailers*, Bill Hanifin, September 25, 2019
41. *Successful DTC Retailers Build Community to Create Customer Loyalty*, Bill Hanifin, May 24, 2019
42. *What Tim Hortons Can Learn from Starbucks about Customer Loyalty*, Bill Hanifin, April 30, 2019
43. *A LETTER FROM THE CEO*, Bill Hanifin, January 16, 2019
44. *2018 Loyalty Marketing Year in Review – Part 2*, Bill Hanifin, January 2, 2019
45. *2018 Loyalty Marketing Year in Review – Part 1*, Bill Hanifin, December 31, 2018
46. *Black Friday Fueled by Customer Loyalty*, Bill Hanifin, November 30, 2018
47. *Has the unbundling of the in-flight experience jeopardized Airline Loyalty?*, Bill Hanifin, August 24, 2018
48. *Streaming media – A new frontier for Loyalty Marketing*, Bill Hanifin, August 16, 2018
49. *How does CVS ExtraCare stack up against Walgreens Balance Rewards? The Tale of two Tapes*, Bill Hanifin, July 6, 2018
50. *Is Employee Training the “Jesus Nut” of Customer Loyalty?*, Bill Hanifin, June 22, 2018
51. *5 Top Trends for Customer Loyalty in 2018: Part 3*, Bill Hanifin, June 6, 2018
52. *5 Top Trends for Customer Loyalty in 2018: Part 2*, Bill Hanifin, May 25, 2018
53. *5 Top Trends for Customer Loyalty in 2018: Part 1*, Bill Hanifin, May 24, 2018
54. *Core Principles to Guide Your Digital Customer Marketing Strategy in 2018*, Bill Hanifin, May 9, 2018
55. *Marriott/Starwood Loyalty Program: The Upshot Part 2*, Bill Hanifin, April 26, 2018
56. *Wegmans earns Temkin's top Customer Experience ratings, while overall scores decline*, Bill Hanifin, April 10, 2018
57. *Convenience Retailers & Loyalty Providers open the Kimono at the 2018 CSP Loyalty Forum*, Bill Hanifin, April 9, 2018
58. *Where is the Intersection of Blockchain Technology and Customer Loyalty?*, Bill Hanifin, April 5, 2018
59. *While the Plenti Dominos fall, Real learning Begins*, Bill Hanifin, February 1, 2018
60. *The real reasons behind the struggle at plenty*, Bill Hanifin, January 25, 2018
61. *For global organizations, becoming customer-centric is a tall order*, Bill Hanifin, January 17, 2018
62. *Will the Customer Loyalty Data Pump Run Dry?*, Bill Hanifin, December 5, 2017

63. *Loyalty Truth Reboot - what does the future hold?*, Bill Hanifin, November 20, 2018
64. *Customer Loyalty and Natural Disasters*, Bill Hanifin, September 24, 2017
65. *Why did Walgreens Balance Rewards change its point expiration policy?*, Bill Hanifin, August 15, 2017
66. *7 Possible Outcomes from the Amazon, Whole Foods Deal That You Should Know*, Bill Hanifin, June 17, 2017
67. *Where do Customer Engagement and Loyalty intersect?*, Bill Hanifin, April 4, 2017
68. *Plenti gets a grocer*, Bill Hanifin, March 17, 2017
69. *Hammer Nutrition carves its own path to Customer Loyalty*, Bill Hanifin, January 23, 2017
70. *Three Words for Customer Loyalty in 2017*, Bill Hanifin, January 23, 2017
71. *Loylogic offers brands more reward choice with new product Akruu*, Bill Hanifin, November 22, 2016
72. *Loyalty Academy announces November course schedule*, Bill Hanifin, November 7, 2016
73. *Cision launches unified platform for earned media dubbed Communication Cloud*, Bill Hanifin, October 28, 2016
74. *Bink hopes to create stronger loyalty program engagement with UK launch*, Bill Hanifin, October 26, 2016
75. *Loyalty Truth named among Top 50 Customer Retention Blogs*, Bill Hanifin, October 26, 2016
76. *Innovation in Philanthropy and Financial Services*, Bill Hanifin, October 26, 2016
77. *Convenience retailers donate nearly \$1 billion to charities worldwide*, Bill Hanifin, October 24, 2016
78. *Luxury retailers garner brand loyalty online*, Bill Hanifin, October 13, 2016
79. *What's wrong with today's loyalty rewards programs?*, Bill Hanifin, October 13, 2016
80. *Will Cause Marketing spark a new wave of Customer Loyalty?*, Bill Hanifin, October 13, 2016
81. *At Wattie Ink, Triathlon has its rewards*, Bill Hanifin, October 5, 2016
82. *Mastercard brings remittance services to 100 million people in Ethiopia*, Bill Hanifin, October 5, 2016
83. *How do you define thought leadership?*, Bill Hanifin, October 3, 2016
84. *Belly partners with Apple to become first mobile loyalty partner*, Bill Hanifin, September 29, 2016
85. *The Digitalization of Retail [Infographic]*, Bill Hanifin, September 29, 2016
86. *IBM and China UnionPay planning Blockchain based Loyalty exchange*, Bill Hanifin, September 26, 2016
87. *Access Development Names Casey Kleinman CEO, Kelly Passey President*, Bill Hanifin, September 23, 2016
88. *How visually compelling content can ignite customer engagement*, Bill Hanifin, September 20, 2016
89. *Winn Dixie to join Plenti ?*, Bill Hanifin, September 19, 2016
90. *Aimia suspends plans for US Coalition*, Bill Hanifin, September 19, 2016
91. *Target pilots mobile rewards with Cartwheel app*, Bill Hanifin, September 19, 2016
92. *Comcast provides reasons why consumers fear Big Data*, Bill Hanifin, September 16, 2016
93. *New Event Calendar for Loyalty Marketers*, Bill Hanifin, August 24, 2016

94. *Happy Birthday Plenti*, Bill Hanifin, June 27, 2016
95. *Designing your loyalty program with the end in mind*, Bill Hanifin, June 14, 2016
96. *From Aspirational to Caste System, what is the future of Customer Experience?*, Bill Hanifin, June 13, 2016
97. *What you really need to know about Starbucks and Loyalty*, Bill Hanifin, February 29, 2016
98. *Why did Starbucks change its loyalty program?*, Bill Hanifin, February 24, 2016
99. *Cumberland Farms gets smart about loyalty*, Bill Hanifin, February 18, 2016
100. *How to improve your loyalty program through secret shopping*, Bill Hanifin, January 20, 2016
101. *Should CMOs lead Digital Transformation in the enterprise?*, Bill Hanifin, January 19, 2016
102. *How Loyalty Programmes can drive adoption of your mobile payments App*, Bill Hanifin, December 17, 2015
103. *Are traditional hoteliers ready to embrace Airbnb?*, Bill Hanifin, December 15, 2015
104. *The Future of Customer Loyalty a central theme at the inaugural Loyalty Academy*, Bill Hanifin, December 10, 2015
105. *The State of the Rewards Industry - Part 2 - Are you ready for Rewards 3.0?*, Bill Hanifin, December 7, 2015
106. *Massive changes in Jamaican loyalty landscape*, Bill Hanifin, December 3, 2015
107. *Maritz and Bond Brand Loyalty go separate ways*, Bill Hanifin, November 9, 2015
108. *The State of the Rewards Industry Part 1*, Bill Hanifin, November 2, 2015
109. *Why now is the perfect time for you to adopt a mobile-first approach to customer loyalty?*, Bill Hanifin, October 13, 2015
110. *Has Loyalty Marketing lost its way?*, Bill Hanifin, October 8, 2015
111. *Do you really know your customer? Probably not.*, Bill Hanifin, October 7, 2015
112. *What do Richard Sherman and Omni-channel marketing have in common?*, Bill Hanifin, September 9, 2015
113. *Belly and Apple need to correct one critical flaw to reach potential*, Bill Hanifin, August 5, 2015
114. *What's missing from Plenti?*, Bill Hanifin, August 3, 2015
115. *YouTube plans to launch dedicated video gaming site*, Bill Hanifin, June 19, 2015
116. *Best Western comes out on top in annual survey*, Bill Hanifin, June 16, 2015
117. *Dunkin Donuts mobile delivery*, Bill Hanifin, June 12, 2015
118. *Trust will drive the Digital Wallet (r)evolution*, Bill Hanifin, June 4, 2015
119. *US banks wade slowly into EMV waters*, Bill Hanifin, June 2, 2015
120. *Aloha POS integrates with OpenTable restaurant booking service*, Bill Hanifin, May 29, 2015
121. *Southwest Rapid Rewards partners with ScoreBig*, Bill Hanifin, May 27, 2015
122. *Kimpton Karma Rewards*, Bill Hanifin, May 27, 2015
123. *Use your Capital One Quicksilver card to get 20% back on Uber*, Bill Hanifin, May 27, 2015
124. *What the Forrester Wave report on Loyalty really tells us*, Bill Hanifin, April 23, 2015
125. *American Express coalition announcement changes loyalty game in US*, Bill Hanifin, March 19, 2015
126. *To win in the digital age, you've got to think Old School*, Bill Hanifin, March 17, 2015
127. *Priceline to acquire Rocketmiles?*, Bill Hanifin, February 27, 2015
128. *Top 75 Supermarkets 2015*, Bill Hanifin, February 27, 2015

129. *Starwood and Uber partner up for a loyalty ride*, Bill Hanifin, February 25, 2015
130. *3 Words For Loyalty Marketing in 2015*, Bill Hanifin, January 26, 2015
131. *Taco Bell's mobile ordering a winner with Millennials, Generation Z*, Bill Hanifin, January 23, 2015
132. *Marsh Supermarkets lights beacons and readies for Apple Smartwatch users*, Bill Hanifin, January 19, 2015
133. *Walgreens, WebMD take early lead in mobile health market*, Bill Hanifin, January 19, 2015
134. *Facebook in class action lawsuit for scanning user messages*, Bill Hanifin, January 19, 2015
135. *Alpharetta Visitor Rewards tests linkage of local merchants with iBeacon technology*, Bill Hanifin, January 19, 2015
136. *First-annual Paytronix Loyaltees Awards*, Bill Hanifin, December 18, 2014
137. *Rawlings & Clutch launch a sporty loyalty program - Rawlings Rewards*, Bill Hanifin, December 18, 2014
138. *A Millennial View on Revamping a Loyalty Program*, Bill Hanifin, December 2, 2014
139. *Apple teams up with UnionPay in China*, Bill Hanifin, November 21, 2014
140. *Snapchat and Square partner to create „Snapcash“*, Bill Hanifin, November 21, 2014
141. *Buffalo Sabre's Fan Advantage*, Bill Hanifin, November 21, 2014
142. *NFC chip injected into hand is Bitcoin cold storage*, Bill Hanifin, November 21, 2014
143. *United Airlines Mileage Plus members can now redeem miles in the terminal*, Bill Hanifin, November 21, 2014
144. *Qantas launches analytics venture, Red Planet*, Bill Hanifin, November 14, 2014
145. *Instant cash redemption introduced at Safeway for Air Miles members*, Bill Hanifin, November 14, 2014
146. *MCX goes public at Money 2020*, Bill Hanifin, November 14, 2014
147. *Money 2020 and the Future of Money*, Bill Hanifin, November 12, 2014
148. *Social media penetration in the Arab World*, Bill Hanifin, October 30, 2014
149. *Is Bitcoin an investment medium or a payment system?*, Bill Hanifin, October 29, 2014
150. *Kohls launches Yes2You Rewards*, Bill Hanifin, October 29, 2014
151. *Tesco trials mobile payment app PowaTag*, Bill Hanifin, October 28, 2014
152. *Aimia Institute event features Rachel Botsman*, Bill Hanifin, October 28, 2014
153. *DataCandy partners with Blackhawk Network*, Bill Hanifin, October 27, 2014
154. *Extra Life turns game play into donations to support Childrens Miracle Network Hospitals*, Bill Hanifin, October 17, 2014
155. *Golfantage providing loyalty marketing tools for golf course operators*, Bill Hanifin, October 17, 2014
156. *Paypals separation from Ebay becomes official*, Bill Hanifin, October 17, 2014
157. *SK Telecom to buy mobile loyalty app Shopkick*, Bill Hanifin, October 16, 2014
158. *OpenTable enhances offer with mobile app*, Bill Hanifin, October 14, 2014
159. *PayWith believes Apple Pay will lead the way for mobile payments*, Bill Hanifin, October 14, 2014
160. *UberPEDAL catering to bicyclists*, Bill Hanifin, October 9, 2014
161. *The future of mobile payments*, Bill Hanifin, October 8, 2014

162. *Groupon to integrate with Apple Pay*, Bill Hanifin, October 3, 2014
163. *SnoopWall launches counterveillance security system*, Bill Hanifin, October 2, 2014
164. *Ellipsis and Company launches in the Australian loyalty market*, Bill Hanifin, October 2, 2014
165. *Jimmy Johns reports data breach*, Bill Hanifin, September 29, 2014
166. *Big Door opening wide with new products*, Bill Hanifin, September 29, 2014
167. *Alliance Data acquires Conversant*, Bill Hanifin, September 19, 2014
168. *Lassu Loyalty sponsoring ASEAN Customer Loyalty Conference*, Bill Hanifin, September 19, 2014
169. *Exclusive Content from Big Door's Keith Smith: How New Loyalty Deepens Customer Relationships*, Bill Hanifin, September 14, 2014
170. *Golfantage tees up mobile rewards for Golf Course operators*, Bill Hanifin, September 14, 2014
171. *Kipling launches loyalty program with social features*, Bill Hanifin, September 12, 2014
172. *Vancouvers nTrust pushes ,digital cash, payments with Cloud Money platform*, Bill Hanifin, September 12, 2014
173. *Regional Report: Customer loyalty in the Philippines*, Bill Hanifin, September 10, 2014
174. *Has the air travel experience been dealt a fatal blow*, Bill Hanifin, September 10, 2014
175. *Hoteliel.com makes social loyalty a reality*, Bill Hanifin, September 4, 2014
176. *Dippin Dots Launches Dot Crazy! Rewards Club*, Bill Hanifin, September 4, 2014
177. *Boomers and Millennials square off over digital payments*, Bill Hanifin, August 27, 2014
178. *Shift Payments trials debit card based on Bitcoin, Ripple*, Bill Hanifin, August 20, 2014
179. *Aimia invests in data analytics firm Fractal*, Bill Hanifin, August 20, 2014
180. *Freshbooks takes a personal approach to loyalty*, Bill Hanifin, August 19, 2014
181. *Badgeville & Kendall-Jackson increase customer engagement by 65%*, Bill Hanifin, August 7, 2014
182. *Snapchat Files Trademark to Process Payments*, Bill Hanifin, August 7, 2014
183. *How to send an effective calendar invitation*, Bill Hanifin, August 7, 2014
184. *Brooks Brothers tale marks the importance of online brand monitoring*, Bill Hanifin, July 28, 2014
185. *The convergence of Loyalty Marketing and Gamification*, Bill Hanifin, July 21, 2014
186. *Inside the mind of the Millennial Generation*, Bill Hanifin, July 21, 2014
187. *LoyaltyGames highlights convergence of loyalty marketing and gamification*, Bill Hanifin, July 16, 2014
188. *McDonald's tests mobile payment app in Georgia*, Bill Hanifin, July 8, 2014
189. *Twitter ventures into e-commerce with ,Buy Now button*, Bill Hanifin, July 8, 2014
190. *Forrester predicts loyalty leaders grow twice as fast as market rate*, Bill Hanifin, July 4, 2014
191. *Will the iBeacon be a world changer for marketers?*, Bill Hanifin, June 27, 2014
192. *Dennys trialing mobile loyalty program*, Bill Hanifin, June 27, 2014
193. *The Internet of Things is coming closer*, Bill Hanifin, June 27, 2014
194. *FlyPIT Perks launches with Thanks Again*, Bill Hanifin, June 26, 2014
195. *Beautiful catalogs don't always translate to customer value*, Bill Hanifin, June 25, 2014
196. *What customers want: more privacy*, Bill Hanifin, June 23, 2014
197. *UK Grocer Morrison's testing customer loyalty program*, Bill Hanifin, June 23, 2014
198. *Uber offers Amex points for the ride*, Bill Hanifin, June 11, 2014

199. *What's your worldview of loyalty marketing?*, Bill Hanifin, June 10, 2014
200. *Challenges to loyalty programs continues in Alberta, Canada*, Bill Hanifin, June 10, 2014
201. *GSummit kicking off today*, Bill Hanifin, June 10, 2014
202. *Maritz Loyalty Marketing rebrands as Bond Brand Loyalty*, Bill Hanifin, May 29, 2014
203. *Creating a standard of excellence in your business*, Bill Hanifin, May 29, 2014
204. *Welcome to LoyaltyTruth.com*, Bill Hanifin, May 29, 2014
205. *What's the real cost of coupons?*, Bill Hanifin, May 27, 2014
206. *Chase gives life to credit card rewards*, Bill Hanifin, May 13, 2014
207. *Loyalty Marketing and The Asterisk Part 2*, Bill Hanifin, May 2, 2014
208. *A fresh take on the Loyalty Asterisk*, Bill Hanifin, April 29, 2014
209. *Changes to Delta SkyMiles draws critics*, Bill Hanifin, April 25, 2014
210. *The trouble with Infographics*, Bill Hanifin, April 25, 2014
211. *Valley Forge Casino / US Airways offer gamblers new options*, Bill Hanifin, April 17, 2014
212. *Sephora Beauty Board adds to Beauty Insider*, Bill Hanifin, April 17, 2014
213. *How do you choose the right loyalty model? (Video!)*, Bill Hanifin, April 17, 2014
214. *3 things you need to know to connect with Millennials*, Bill Hanifin, April 17, 2014
215. *Are Loyalty Cards Worth Carrying?*, Bill Hanifin, April 3, 2014
216. *GSummit Conference & Workshops - June 10-13, 2014*, Bill Hanifin, March 28, 2014
217. *My Marketing Birthday*, Bill Hanifin, March 26, 2014
218. *Running My Starbucks Rewards through the loyalty filter*, Bill Hanifin, March 26, 2014
219. *What's the best way to build your brand?*, Bill Hanifin, March 24, 2014
220. *Pat Lewis shares on the importance of loyalty in convenience retail*, Bill Hanifin, March 24, 2014
221. *Employee engagement and customer loyalty: Paul Hebert Interview Part 2*, Bill Hanifin, March 5, 2014
222. *Employee engagement & customer loyalty: an interview with Paul Hebert*, Bill Hanifin, March 3, 2014
223. *Oil Express interviews Bill Hanifin*, Bill Hanifin, February 28, 2014
224. *Factoids from Visa about the future of payments*, Bill Hanifin, February 28, 2014
225. *Handelsbanken and Verifone's Point announce mobile payment solution*, Bill Hanifin, February 28, 2014
226. *MGM Resorts comes out fighting with UFC partnership*, Bill Hanifin, February 24, 2014
227. *Sprinklr buys Dachis Group to form Social Management giant*, Bill Hanifin, February 21, 2014
228. *Krogers invests in digital coupon technology*, Bill Hanifin, February 12, 2014
229. *iBeacon technology reaching tipping point*, Bill Hanifin, February 12, 2014
230. *Is there Bitcoin in your future? Money2020 says "Yes"*, Bill Hanifin, February 10, 2014
231. *What is MCX?*, Bill Hanifin, February 6, 2014
232. *Retailers unify in defense of Target cyber breach*, Bill Hanifin, February 6, 2014
233. *Aeromexico to spin off its frequent flyer program?*, Bill Hanifin, February 6, 2014
234. *3 Words for Loyalty Marketing in 2014*, Bill Hanifin, January 29, 2014
235. *Will Tesco dump its Clubcard loyalty programme?*, Bill Hanifin, January 21, 2014
236. *Aimia successfully negotiates new card issuing deal for Aeroplan*, Bill Hanifin, January 21, 2014
237. *First Global Bank launches Rewards Your Way*, Bill Hanifin, January 17, 2014

- 238. *Surprise and Delight at 30,000 feet*, Bill Hanifin, January 17, 2014
- 239. *Ten "R's" to make 2014 a success*, Bill Hanifin, January 17, 2014
- 240. *Bill Hanifin named as one of the top loyalty marketing thought leaders*, Bill Hanifin, January 15, 2014
- 241. *British grocer Waitrose takes on traditional loyalty models*, Bill Hanifin, January 15, 2014
- 242. *Surprise & Delight. Tactic or Strategy?*, Bill Hanifin, January 13, 2014
- 243. *Wise Marketer Loyalty Guide 6 available now!*, Bill Hanifin, January 2, 2014
- 244. *How to derail your customer marketing efforts in one easy step*, Bill Hanifin, December 31, 2013
- 245. *Sage advice from Peter Munk*, Bill Hanifin, December 31, 2013
- 246. *Should Apple change its view of customer loyalty?*, Bill Hanifin, December 19, 2013
- 247. *Indian grocer Shoppers Stop emphasizes loyalty analytics to grow*, Bill Hanifin, December 18, 2013
- 248. *Do you love your customers as much as your 401(k)?*, Bill Hanifin, December 17, 2013
- 249. *Lancome connects with customers online*, Bill Hanifin, December 17, 2013
- 250. *Qantas losses could impact Frequent Flyer Programme*, Bill Hanifin, December 10, 2013
- 251. *Breach of Irish loyalty program database impacts 1.1 Million*, Bill Hanifin, December 10, 2013
- 252. *InComm reports on popularity of digital gift cards*, Bill Hanifin, December 10, 2013
- 253. *Loyalty Matters During the Holiday Season*, Bill Hanifin, December 4, 2013
- 254. *The evolution of Black Friday*, Bill Hanifin, December 2, 2013
- 255. *Forrester study says behavioral data is under utilized*, Bill Hanifin, November 21, 2013
- 256. *Restaurant loyalty is the new black*, Bill Hanifin, November 19, 2013
- 257. *Are Daily Deals Done?*, Bill Hanifin, November 15, 2013
- 258. *Aimia leaps in Forrester rankings*, Bill Hanifin, November 15, 2013
- 259. *Alliance Data acquired 60% stake in Brand Loyalty*, Bill Hanifin, November 15, 2013
- 260. *How do you fuel your personal growth?*, Bill Hanifin, November 8, 2013
- 261. *iPrefer links luxury hotels with rewards*, Bill Hanifin, November 2, 2013
- 262. *First Data, Perka, Clover add up to changes in retail loyalty*, Bill Hanifin, November 2, 2013
- 263. *Fuel Rewards Network adds MasterCard*, Bill Hanifin, October 30, 2013
- 264. *Amazon touts Prime as it raises free shipping threshold*, Bill Hanifin, October 23, 2013
- 265. *Arbys launches social sharing campaign with PunchTab*, Bill Hanifin, October 11, 2013
- 266. *Will Convenience Stores invade the Fast Casual dining space?*, Bill Hanifin, October 9, 2013
- 267. *Airline frequent flyer programs have plenty of runway left*, Bill Hanifin, October 9, 2013
- 268. *Amazon launches "Login and Pay with Amazon" at Money 2020*, Bill Hanifin, October 9, 2013
- 269. *Cellum announces new use of Motion QR codes*, Bill Hanifin, October 8, 2013
- 270. *Want fries with your loyalty program?*, Bill Hanifin, October 3, 2013
- 271. *Rogers Alerts serves up geo-fenced digital offers*, Bill Hanifin, October 3, 2013
- 272. *HYATT launches world's largest focus group*, Bill Hanifin, September 27, 2013
- 273. *Southwest Airlines devalues Rapid Rewards*, Bill Hanifin, September 26, 2013
- 274. *Colloquy reveals loyalty program award winners*, Bill Hanifin, September 26, 2013
- 275. *PayPal launches new mobile payments app*, Bill Hanifin, September 23, 2013
- 276. *RetailWire asks: Can technology drive better customer experience?*, Bill Hanifin, September 18, 2013

- 277. *Why Loyalty Matters at Starbucks*, Bill Hanifin, September 18, 2013
- 278. *Can you be outlived by your frequent flyer miles?*, Bill Hanifin, September 17, 2013
- 279. *Can Loyalty influence the privacy debate?*, Bill Hanifin, September 13, 2013
- 280. *Who is the Godfather of Gamification?*, Bill Hanifin, September 13, 2013
- 281. *ArcLight Cinema re-launches its Member program*, Bill Hanifin, September 12, 2013
- 282. *7-Eleven invests as Belly raises \$12Million*, Bill Hanifin, September 12, 2013
- 283. *Baby Boomers - the wanna be Millennials*, Bill Hanifin, September 12, 2013
- 284. *Cosi and PunchTab team up to drive digital loyalty*, Bill Hanifin, September 12, 2013
- 285. *Deloitte rings the FFP alarm bell*, Bill Hanifin, September 12, 2013
- 286. *Maritz ranks the top 17 loyalty programs in the US*, Bill Hanifin, September 6, 2013
- 287. *Gilt.com rewards engagement & social interaction*, Bill Hanifin, September 6, 2013
- 288. *Ditch Your Loyalty Cards? Not a Chance.*, Bill Hanifin, September 6, 2013
- 289. *Reshaping the Offer Industry*, Bill Hanifin, August 13, 2013
- 290. *Building a practical framework for Contextual Loyalty*, Bill Hanifin, August 7, 2013
- 291. *Roger Williams interviews Bill Hanifin re: Contextual Loyalty on LoadFactor.tv*, Bill Hanifin, July 29, 2013
- 292. *Retailers ready for next generation of mobile marketing*, Bill Hanifin, July 29, 2013
- 293. *Best Western practicing Contextual loyalty through use of mobile / location apps*, Bill Hanifin, July 29, 2013
- 294. *AIMIA may be switching its principal co-brand card relationship*, Bill Hanifin, July 29, 2013
- 295. *58% of Canadians are interested to receive personalized promotions*, Bill Hanifin, July 29, 2013
- 296. *Aimia acquires Smart Button for \$18 million.*, Bill Hanifin, July 29, 2013
- 297. *Denny's Canada launches innovative mobile app*, Bill Hanifin, July 29, 2013
- 298. *Topaz, Ireland's largest fuel retailer, enhances Play or Park*, Bill Hanifin, July 29, 2013
- 299. *How to become a Loyalty Marketing one-percenter*, Bill Hanifin, July 25, 2013
- 300. *Secrets of using Data to improve Customer Service*, Bill Hanifin, July 23, 2013
- 301. *The branded currency revolution is here*, Bill Hanifin, July 19, 2013
- 302. *C2-MTL a great model for the un-conference*, Bill Hanifin, July 12, 2013
- 303. *My Starbucks Rewards Delivers Half a Cup*, Bill Hanifin, July 2, 2013
- 304. *JetBlue Jettisons the Loyalty Asterisk*, Bill Hanifin, July 1, 2013
- 305. *Harley Davidson makes the most of the Loyalty Value Chain*, Bill Hanifin, June 17, 2013
- 306. *Shhhh - Office Depot is relaunching Worklife Rewards*, Bill Hanifin, June 14, 2013
- 307. *How do you define CRM, Loyalty, Direct Marketing*, Bill Hanifin, June 7, 2013
- 308. *Hyatt, MGM announcement highlights future of loyalty marketing*, Bill Hanifin, June 6, 2013
- 309. *In the Loyalty Marketing World, Time is Treasure*, Bill Hanifin, June 3, 2013
- 310. *Giant ATM fraud highlights need to accelerate EMV standards in US*, Bill Hanifin, May 15, 2013
- 311. *Amazon, Starbucks imagine new options for customer loyalty*, Bill Hanifin, May 14, 2013
- 312. *CEO Interview with Peter Vogel Plink.com*, Bill Hanifin, May 6, 2013
- 313. *Interview: Leslie McNamara Citi Retail Services*, Bill Hanifin, May 1, 2013
- 314. *Payments and Loyalty create sweet spot for consumers*, Bill Hanifin, April 29, 2013
- 315. *EMV - Coming to America Part 2*, Bill Hanifin, April 24, 2013
- 316. *MCX hopes to change the payments landscape*, Bill Hanifin, April 21, 2013

- 317. *Loyalty Expo touts Customer Experience*, Bill Hanifin, April 11, 2013
- 318. *Payments & Loyalty highlight Loyalty Expo - Part 2*, Bill Hanifin, April 11, 2013
- 319. *What are your options for Mobile app development?*, Bill Hanifin, April 9, 2013
- 320. *OneBlood & Walgreens offer Loyalty that's good for you*, Bill Hanifin, April 8, 2013
- 321. *Rocketmiles Transforms Online Travel*, Bill Hanifin, April 4, 2013
- 322. *Why I'm done with Foursquare*, Bill Hanifin, April 1, 2013
- 323. *ATT UVerse Screens a Good Loyalty Flick*, Bill Hanifin, March 26, 2013
- 324. *Starbucks Announcement Linked to Big Data*, Bill Hanifin, March 25, 2013
- 325. *Volkswagen, GM Experiment with Customer Loyalty*, Bill Hanifin, March 19, 2013
- 326. *Thuzio Offers Unforgettable Experiences*, Bill Hanifin, March 15, 2013
- 327. *Lack of Loyalty Program Engagement = Opportunity*, Bill Hanifin, March 13, 2013
- 328. *Hess C-Store Spin-Off will lead to Marketing Renewal*, Bill Hanifin, March 11, 2013
- 329. *Perka Joins Elite Fast Company List*, Bill Hanifin, March 6, 2013
- 330. *Safeway Shares Some Loyalty Secrets*, Bill Hanifin, March 5, 2013
- 331. *Quote of the Week - Cash isn't dead yet*, Bill Hanifin, March 3, 2013
- 332. *Starbucks Expands Gift Card Horizons*, Bill Hanifin, March 1, 2013
- 333. *Is It Time for Virtual Currencies?*, Bill Hanifin, February 26, 2013
- 334. *Book Review - Creating the Strategy*, Bill Hanifin, February 22, 2013
- 335. *Know Payments, Know Loyalty - No Payments, No Loyalty*, Bill Hanifin, February 18, 2013
- 336. *Can Coupons be Sexy?*, Bill Hanifin, February 13, 2013
- 337. *Loyalty Quote of the Week*, Bill Hanifin, February 13, 2013
- 338. *American Airlines Pops the Big Question*, Bill Hanifin, February 9, 2013
- 339. *Big Data - Quote of the Week*, Bill Hanifin, February 4, 2013
- 340. *Conference Report: Strong Brands and Customer Loyalty are Tightly Linked*, Bill Hanifin, January 31, 2013
- 341. *LoyaltyPulse Survey Uncovers Lots of Loyalty Love*, Bill Hanifin, January 28, 2013
- 342. *Spirit Airlines Email Campaigns - Clever or Clueless?*, Bill Hanifin, January 21, 2013
- 343. *Connecting with the Digital Consumer*, Bill Hanifin, January 20, 2013
- 344. *Will American Airlines Rebranding Improve Customer Loyalty?*, Bill Hanifin, January 17, 2013
- 345. *Leadership and Loyalty*, Bill Hanifin, January 16, 2013
- 346. *The Best of Convenience Retail*, Bill Hanifin, January 14, 2013
- 347. *Best in Leadership*, Bill Hanifin, January 14, 2013
- 348. *Best of Loyalty & CSR*, Bill Hanifin, January 1, 2013

# **Exhibit B**

Expert Report of John W. Hanifin  
March 17, 2023

**Materials Considered**

**1. Case Filings**

- a. Fourth Amended Consolidated Class Action Complaint (Dkt. 477)
- b. Walgreens' Answer to Fourth Amended Complaint (Dkt. 485)
- c. Plaintiffs' Memorandum in Support of Motion to Certify Class and corresponding exhibits (Dkts. 555 556-60).

**2. Deposition Testimony**

- a. Walgreens' Corporate Testimony, Michael Amiet;
- b. Jay Bernstein
- c. Blake Slansky
- d. Cade Erland
- e. Wendy Barnes
- f. Bran Correia
- g. Dr. Kenneth Schafermeyer
- h. Dr. Lynette Hilton

**3. Written Discovery**

- a. Walgreens' Second Amended Objections and Responses to Plaintiffs' Third Set of Interrogatories, dated November 11, 2020.
- b. Walgreens' Third Amended Objections and Responses to Plaintiffs' Second Set of Requests for Admission, dated October 28, 2021.

**4. Walgreens' Produced Documents**

- a. Walg\_Forth\_00002876
- b. Walg\_Forth\_00004691
- c. Walg\_Forth\_00005266
- d. Walg\_Forth\_00012624
- e. Walg\_Forth\_00013520

- f. Walg\_Forth\_00020360
- g. Walg\_Forth\_00021023
- h. Walg\_Forth\_00021026
- i. Walg\_Forth\_00037154
- j. Walg\_Forth\_00038301
- k. Walg\_Forth\_00040901
- l. Walg\_Forth\_00045054
- m. Walg\_Forth\_00058481
- n. WAGDCO\_Forth\_00006156
- o. Walg\_Forth\_00062116
- p. Walg\_Forth\_00062179
- q. Walg\_Forth\_00294473
- r. Walg\_Forth\_00337348
- s. Walg\_Forth\_00350468
- t. Walg\_Forth\_00350472

**5. Other**

- a. Expert Report of Jed Smith, dated March 17, 2023.
- b. Declaration of John M. Lavin, November 18, 2016, Caremark\_Forth\_000188
- c. *United States ex rel Garbe v. Kmart Corp.*, 73 F.3d Supp. 3d 1002, 1008 (S.D. Ill. 2014).
- d. *United States ex rel Garbe v. Kmart Corp.*, 824 F.3d 632 (7th Cir. 2016)
- e. Walgreens, “Prescription Savings Club, Terms and Conditions,” available at <https://www.walgreens.com/topic/psc/prescription-savings-club/psc-terms-and-conditions.jsp?o=acs>
- f. Walgreens, “Prescription Savings Club,” available at <https://www.walgreens.com/psc/prescription-savings-club>

- g. Tungol, Starner, Gunderson, et al., "Generic Drug Discount Programs: Are Prescriptions Being Submitted for Pharmacy Benefit Adjudication?" (2012) *Journal of Managed Care Pharmacy*, Vo. 18, No. 9.
- h. Walmart, "Wal-Mart Cuts Generic Prescription Medicines to \$4," available at <https://corporate.walmart.com/newsroom/2006/09/20/wal-mart-cuts-generic-prescription-medicines-to-4>
- i. H-E-B, "Generics As Low As \$4," available at <https://www.heb.com/static-page/Generics>
- j. HyVee, "\$4 Generics," available at <https://www.hy-vee.com/my-pharmacy/services/four-dollar-generics>
- k. Costco, "Join Costco," available at <https://www.costco.com/join-costco.html>
- l. Sam's Club, "Join the Sam's Club family," available at <https://www.samsclub.com/join?pageName=aboutSams>
- m. Netflix, "Choose your plan," available at <https://www.netflix.com/signup>
- n. Kivetz, R., & Simonson, I., "The Idiosyncratic Fit Heuristic: Effort Advantage as a Determinant of Consumer Response to Loyalty Programs," *Journal of Marketing Research*, vol. 40, no. 4, 2003, pp. 454–67, *JSTOR*, <http://www.jstor.org/stable/30038878>
- o. Loyalty Science Lab, "Do Loyalty Programs Work?", May 21, 2020, available at <https://medium.com/swlh/do-loyalty-programs-work>
- p. Malika Chaudhuri, Clay M. Voorhees, and Jonathan M. Beck, "The Effects of Loyalty Program Introduction and Design on Short- and Long-Term Sales and Gross Profits," 2019, *Journal of the Academy of Marketing Science*, Vol. 47, p.640–658.
- q. Nick J.F. Bombaij and Marnik G. Dekimpe, "When Do Loyalty Programs Work? The Moderating Role of Design, Retailer-Strategy, and Country Characteristics," 2020, *International Journal of Research in Marketing*, 37 (1), 175–195) available at <https://research.tilburguniversity.edu/en/publications/when-do-loyalty-programs-work-the-moderating-role-of-design-retai> .
- r. Walmart, "Meet Walmart+," available at <https://www.walmart.com/plus>.
- s. Bond Loyalty, "2019 Loyalty Report," 2019
- t. REI Co-Op Membership, "Membership," available at <https://www.rei.com/membership>

- u. Easton, Bing, and Smothers, "Reward me, charity, or both? The impact of fees and benefits in loyalty programs," 2015, *Journal of Retailing and Consumer Services*.
- v. Ashley, Gillespie, Noble, "The effect of loyalty program fees on program perceptions and engagement," February 2016 *Journal of Business Research*, Vol. 69, Issue 2 available at  
<https://www.sciencedirect.com/science/article/abs/pii/S0148296315003896>